

17 MAR 1999

CHAPTER 11

INDUSTRIAL SECURITY PROGRAM

11-1 BASIC POLICY

1. Commanding officers shall establish an industrial security program if their commands engage in classified procurement or when cleared DoD contractors operate within areas under their direct control. Command security procedures shall include appropriate guidance, consistent with this regulation, to ensure that classified information released to industry is safeguarded.
2. Commanding officers responsible for the acquisition of classified defense systems shall comply with the requirements of reference (a), which establishes policy and assigns responsibilities for identifying and protecting classified information or controlled unclassified information that has been identified as critical to the combat effectiveness of systems being developed within the DON acquisition programs.
3. Commanding officers responsible for the acquisition of classified defense systems shall develop a Program Protection Plan (PPP) to fulfill the requirements of reference (a). Because contractor facilities are included, cleared DoD contractors may assist in developing the PPP for a classified contract. Requirements levied on contractors in the PPP shall be conveyed in the contract document itself or on the DD 254 (see exhibit 11A).

11-2 AUTHORITY

1. Reference (b) established the NISP for safeguarding information released to industry classified under reference (c), or its successor or predecessor orders, and reference (d). This regulation implements the requirements of the NISP within the DON. Provisions of this regulation relevant to operations of cleared DoD contractor employees entrusted with classified information shall be applied by contract or other legally binding instrument.
2. Reference (e) imposes the requirements, restrictions, and safeguards necessary to prevent unauthorized disclosure of classified information released by U.S. Government executive branch departments and agencies to their contractors.
3. Reference (f) imposes requirements, restrictions, and safeguards necessary to protect special classes of information

17 MAR 1999

beyond those established in the baseline portion of reference (e).

11-3 DEFENSE SECURITY SERVICE (DSS) INDUSTRIAL SECURITY MISSION

1. The Chief Operating Officer for DSS oversees DoD implementation of the NISP through 12 OPLOCs throughout the CONUS. An additional OPLOC will be established to oversee the international aspects of the NISP (formerly known as Office of Industrial Security International). OPLOCs provide administrative assistance and policy guidance to local DSS field elements charged with security oversight of cleared DoD contractors located in CONUS that perform on classified contracts. Consult the DSS Homepage at <http://www.dss.mil> for information pertaining to various DSS functions.
2. DSS, Operations Center Columbus (OCC) grants personnel clearances to individuals in private industry who require access to classified information in order to perform their jobs. The OCC also grants FCLs within the NISP, refers cases with major adverse information to the Defense Office of Hearings and Appeals for adjudication, processes overseas visit requests, and responds to requests for information regarding personnel clearances and FCL applications, and facility storage capability.

11-4 CLEARANCE UNDER THE NISP

An employee of a contractor granted an FCL under the NISP may be processed for a personnel clearance when the contractor determines that access is essential in the performance of tasks or services related to a classified contract or an IR&D program (see chapter 8, paragraph 8-8 of reference (g) for contractor-granted clearances, Interim Secret and Confidential personnel clearances, Limited Access Authorizations (LAAs), and adverse information reporting).

11-5 DSS AND COMMAND SECURITY OVERSIGHT OF CLEARED DoD CONTRACTOR OPERATIONS

1. **Shipboard.** On board ship, cleared DoD contractor employees have visitor status and shall conform to the requirements of this and command security regulations. Cleared DoD contractors shall submit written requests to the commanding officer who will then grant approval for classified visits by employees to the ship.
2. **Shore Installations.** Commanding officers shall establish or coordinate security oversight over classified work carried out by cleared DoD contractor employees in spaces controlled or occupied

17 MAR 1999

at DON shore installations. Command oversight shall be carried out by exercising one of the following options:

a. The commanding officer requests, in writing, that the DSS OCC grant the contractor an FCL and that DSS assume security oversight.

b. The commanding officer requests, in writing, that the DSS OCC grant the contractor an FCL with the command retaining security oversight. Commands shall conduct periodic reviews and forward a copy of the Industrial Security Inspection Report to the DSS OPLOC which exercises geographic jurisdiction over the installation. Contractors granted an FCL under these first two options assume the status of a tenant activity.

c. The commanding officer determines that the contractor is a short- or long-term visitor and decides that an FCL is not warranted. Contractor employees shall conform with command security regulations and shall be included in the command security education program.

3. **Off-Site Locations.** When contractors perform work at locations other than the command awarding the contract, the awarding command shall inform the new host. Forward to the host command a copy of the notification of contract award, a copy of the DD 254, and other pertinent documents.

4. **DON Overseas Locations.** Commands that award classified contracts requiring performance by cleared DoD contractors at DON overseas locations shall ensure that this regulation is enforced in all aspects of contract security administration.

a. DSS provides administrative assistance to both U.S. Government and industry overseas, maintains PCL data on all cleared DoD contractor employees assigned overseas, provides security education, and conducts oversight of contractor operations at U.S. Government-controlled and U.S. military overseas installations.

b. Contractors located overseas are not granted FCLs; therefore, the cognizant DSS OPLOC will normally exercise security oversight over all contractor operations located at DON overseas locations and coordinate with the cognizant command prior to conducting assist visits or reviews.

c. Commanding officers who wish to exercise security oversight authority over cleared contractors at their commands shall request approval from the DSS.

17 MAR 1998

d. Contracting commands awarding a classified contract for which the DSS is relieved of responsibility in whole or in part for contractor performance at overseas locations shall coordinate as necessary with the host command to ensure the DSS OPLOC representatives are given proper guidance when fulfilling their responsibilities.

11-6 FACILITY ACCESS DETERMINATION (FAD) PROGRAM

The Internal Security Act of 1950 entrusts commanding officers to protect persons and property against the actions of untrustworthy persons. This regulation confirms the FAD program within the DON to assist commands in making trustworthiness determinations on contractor employees for access eligibility to controlled unclassified information or sensitive areas and equipment under DON control. Trustworthiness determinations pertain to unclassified contracts for various services (e.g., janitorial, guards, equipment maintenance). Commands shall take the necessary steps to include the conditions of the FAD program in the specifications of all contracts needing trustworthiness determinations, thereby eliminating the necessity to award a classified contract for performing services only. Reference (g) addresses specific requirements for administering the FAD program.

11-7 CONTRACT SECURITY CLASSIFICATION SPECIFICATION (DD 254)

Commanding officers shall ensure that a DD 254 is incorporated into each classified contract. The DD 254, with its attachments, supplements, and incorporated references, is designed to provide a contractor with the security requirements and classification guidance needed for performance on a classified contract. An original DD 254 shall be issued with each request for proposal, other solicitations, contract award, or follow-on contract to ensure that the prospective contractor is aware of the security requirements and can plan accordingly. A revised DD 254 shall be issued as necessary during the lifetime of the contract when security requirements change. A final DD 254 shall be issued on final delivery or on termination of a classified contract (see exhibit 11A for a sample DD 254).

11-8 COR INDUSTRIAL SECURITY RESPONSIBILITIES

1. Paragraph 2-6 identifies the appointment of a qualified security specialist as a COR.

17 MAR 1998

2. The following industrial security responsibilities are normally assigned to the COR, but are not limited to the following:

a. Review statement of work to ensure that access to or receipt and generation of classified information is required for contract performance.

b. Validate security classification guidance, complete, and sign the DD 254:

(1) Coordinate review of the DD 254 and classification guidance.

(2) Issue a revised DD 254 and other guidance as necessary.

(3) Resolve problems related to classified information provided to the contractor.

c. Provide when necessary, in coordination with the program manager, additional security requirements, beyond those required by this regulation, in the DD 254, or the contract document itself.

d. Initiate all requests for FCL action with the DSS OCC.

e. Verify the FCL and storage capability prior to release of classified information.

f. Validate justification for Interim Top Secret PCLs and FCLs.

g. Validate and endorse requests submitted by industry for LAAs for non-U.S. citizen employees of cleared contractors.

h. Coordinate, in conjunction with the appropriate transportation element, a suitable method of classified shipment when required.

i. Review requests by cleared contractors for retention of classified information beyond a 2-year period and advise the contractor of disposition instructions or issue a final DD 254.

j. Certify and approve Registration For Scientific and Technical Information Services requests (DD 1540).

17 MAR 1998

k. Review reports of security violations and compromises within industry and forward to program managers.

l. Ensure that timely notice of contract award is given to host commands when contractor performance is required at other locations.

11-9 CONTRACTOR BADGES

Echelon 2 commands shall establish administrative procedures governing the expiration date and retrieval of contractor badges.

11-10 VISITS BY CLEARED DoD CONTRACTOR EMPLOYEES

Cleared contractors shall furnish advance notification to the commanding officer of the DON command being visited. In urgent cases, visit information may be furnished by telephone, provided it is promptly confirmed in writing. Commands shall not accept a visit request handcarried by a cleared DoD contractor. The responsibility for determining the need-to-know in connection with a classified visit rests with the individual who will disclose classified information during the visit. Final approval of a visit is the prerogative of the commanding officer of the visited command. Reference (g) addresses visit requirements for cleared DoD contractor employees.

11-11 CONTRACTOR FACILITY CLEARANCES

1. If a cleared contractor's FCL needs to be upgraded or revalidated, the cognizant contracting command shall submit a written request to the DSS OCC. Contractors, when eligible, are automatically granted Interim Secret or Confidential FCLs during processing of a final FCL when requested by a U.S. Government or industry sponsor. However, as an emergency measure and in order to avoid crucial delays in contract negotiations, award or performance, Interim Top Secret FCLs may be granted on a temporary basis, pending completion of full investigative requirements.

2. DON contracting commands requiring an Interim Top Secret FCL for a contractor facility shall submit a request, in writing, to the DSS OCC. The request shall be validated by the COR and endorsed by the commanding officer or designee. Unless otherwise limited by security concerns, the request shall clearly identify the contractor by name, location, commercial and government entity code, current level of FCL, include a copy of the completed DD 254 for the contract or program, and, indicate the effect that any crucial delays will have on contract

17 MAR 1999

negotiations, award, or performance. Every effort shall be made to provide sufficient information to properly fulfill the request. The DSS OCC will take appropriate action and will notify the requesting command when action is completed.

11-12 TRANSMISSION OR TRANSPORTATION

1. Appropriately cleared and designated DoD contractor employees may act as couriers, escorts, or handcarriers provided that:

a. They have been briefed by their facility security officer on their responsibility to safeguard classified information;

b. They possess an identification card or badge, which contains their name, photograph, and the company name;

c. Employees retain classified information in their personal possession at all times. Arrangements shall be made in advance of departure for overnight storage at a U.S. Government installation or at a cleared contractor's facility that has appropriate storage capability, and

d. The transmission or transportation meets all other requirements specified in chapter 9.

2. Appropriately cleared DoD contractors may use the GSA commercial contract carrier for overnight delivery of Secret and Confidential information to U.S. Government agencies within CONUS when procedures have been formally approved by the DSS OPLOC prior to starting such transmissions (see reference (h)).

11-13 DISCLOSURE

1. Disclose classified information only to contractors cleared under the NISP. Prior to disclosing classified information, the custodian shall determine that the contractor requires access in connection with a legitimate U.S. Government requirement (e.g., contract solicitation, precontract negotiation, contractual relationship, or IR&D effort).

2. Determinations shall be based on the following:

a. An FCL valid for access at the same or lower classification level as the FCL granted, and

b. Storage capability.

17 MAR 1998

3. The DSS OCC Central Verification Activity (CVA) or contractor's OPLOC provides written verification of the FCL level and storage capability within 5 working days after receipt of the command's inquiry. Each verification remains valid for a period of 3 years from date of issuance. The OCC CVA provides any changes that adversely affect the security classification level of the FCL or storage capability to the requesting command. Inquiries shall be made by letter, facsimile, or telephone. Contact the CVA via e-mail at discofac@dislink.jete.jcs.mil or telephonically (1-888-282-7682) for verifications involving the storage of 2 cubic feet, or less, of classified information. Contractor storage capability involving the storage of over 2 cubic feet shall be verified directly with the cleared contractor.

4. When classified contracts are awarded for performance at DON commands overseas, the following additional security measures shall be taken prior to disclosing classified information to cleared DoD contractors:

a. Verify that the requirement for access to classified information overseas is essential to the fulfillment of the classified contract.

b. Require that classified information provided to cleared DoD contractors performing overseas is stored at a U.S. Government-controlled facility or military installation unless a written waiver or exception to this requirement is granted by the CNO (N09N2).

c. Furnish the overseas installation commander and the responsible DSS OPLOC with a notice of contract award, any special instructions (e.g., transmission, storage, and disposition instructions), and a copy of the original DD 254.

d. Transmission or transportation of classified information to U.S. Government locations overseas shall comply with the requirements of chapter 9.

5. Obtain an assurance of a foreign contractor employee's clearance level and need-to-know prior to allowing access to U.S. classified information authorized for use in joint contracts with NATO activities or foreign governments under agreement with the U.S. The DSS OPLOC will verify the security clearance and status of foreign contractor employees.

6. Privately-owned or proprietary information, including information relating to trade secrets, processes, operations,

materials, style of work or apparatus, statistics relating to costs or income, profits or losses shall not be published or disclosed without the express written permission of, and in strict accordance with, any conditions stated by the legal owner or proprietor of the information.

7. Restrictions on the release of information previously imposed by a competent authority govern in each case.

8. A system exists within DoD to certify individuals and enterprises qualified to receive export-controlled technical data. These individuals and enterprises are referred to as Qualified Contractors. This certification is accomplished using a Militarily Critical Technical Data Agreement, DD 2345 (Jul 95).

9. Upon receipt of a request for export-controlled technical data with military or space application, a command shall determine if:

a. The requestor is a Qualified Contractor verified by an approved DD 2345 from the U.S./Canada Joint Certification Office, Defense Logistics Service Center, Federal Center, 74 N. Washington, Battle Creek, MI 49017-3084.

b. Certification under the Joint Certification Program establishes the eligibility of a U.S. or Canadian contractor to receive technical data governed by reference (1).

11-14 RELEASE OF INTELLIGENCE TO CLEARED DoD CONTRACTORS

1. Appropriately cleared and access-approved DoD contractors may receive intelligence information in support of a DON classified contract (e.g., authorized on the DD 254) without prior approval of the Director, ONI (ONI-5) who is responsible for executing the policy and procedures governing the release of intelligence to cleared DoD contractors and is the final appeal authority on release denials.

2. Prior to releasing intelligence to a cleared DoD contractor, the releasing command shall:

a. Ensure that dissemination is not prohibited by paragraph 11-16.

b. Ensure that the conditions of paragraph 11-17 are met.

c. Ensure that all intelligence released falls within the scope of the contract under which requested. When any part of a

17 MAR 1999

document is released, the releasing command shall sanitize the intelligence.

3. The releasing command shall maintain a record of all intelligence released to contractors and report releases to the originator upon request.

4. Program managers and CORs shall ensure that the following requirements are included in the contract itself or in the DD 254:

a. Intelligence released to cleared DoD contractors, all reproductions thereof, and all other information generated based on, or incorporating data from, remain the property of the U.S. Government. The releasing command shall govern final disposition of intelligence information unless retention is authorized. Provide the Director, ONI (ONI-5) with a copy of the retention authorization.

b. Cleared DoD contractors shall not release intelligence to any of their components or employees not directly engaged in providing services under contract or other binding agreement or to another contractor (including subcontractors) without the consent of the releasing command.

c. Cleared DoD contractors who employ foreign nationals or immigrant aliens shall obtain approval from the Director, ONI (ONI-5) before releasing intelligence, regardless of their LAA.

5. National Intelligence Estimates, Special National Intelligence Estimates, and Interagency Intelligence Memoranda may be released to appropriately cleared DoD contractors with the requisite need-to-know except as governed by provisions concerning proprietary information.

11-15 PROHIBITED RELEASE OF INTELLIGENCE

1. Obtain the consent of the originator via the Director, ONI (ONI-5) prior to releasing intelligence to a cleared DoD contractor which:

a. Bears either of the following control markings:

(1) CAUTION-PROPRIETARY INFORMATION INVOLVED (PROPIN)
(see chapter 6, paragraph 6-12);

17 MAR 1990

(2) DISSEMINATION AND EXTRACTION OF INFORMATION
CONTROLLED BY ORIGINATOR (ORCON) (see chapter 6, paragraph 6-12);

- b. Originates from Foreign Service reporting; or
- c. Is marked for special handling in specific dissemination channels.

2. Address requests for authority to release the above intelligence information to the Director, ONI (ONI-5), via the command sponsoring the contract for validation of need-to-know, and include the following information:

- a. Cleared DoD contractor's name for whom the intelligence is intended;
- b. Contract number supporting the request;
- c. Cognizant contracting command's name;
- d. Certification of contractor's FCL and storage capability;
- e. Complete identification of the information for which a release determination is desired; and
- f. Justification confirming need-to-know and a concise description of that portion of the contractor's study or project which will confirm the need-to-know for the requested intelligence information. This statement is a prerequisite for a release determination.

11-16 SANITIZATION OF INTELLIGENCE

1. Any command releasing intelligence to a cleared DoD contractor is responsible for proper sanitization. If the releasing command is not aware of specific contractual commitments, coordinate release of the intelligence with those activities which are able to determine the scope of the contract and need-to-know requirements of the contractor.

2. Delete any reference to the CIA phrase "Directorate of Operations," the place acquired, the field number, the source description, and field dissemination from all CIA Directorate of Operations reports passed to contractors, unless prior approval to release that information is obtained from CIA. Forward any requests for approval via the Director, ONI (ONI-5).

REFERENCES

- (a) DoD Directive 5200.1-M, Acquisition System Protection Program, 16 Mar 94 (NOTAL)
- (b) Executive Order 12829, National Industrial Security Program, 6 Jan 93
- (c) Executive Order 12958, Classified National Security Information, 17 Apr 95
- (d) Title 42, U.S.C., Sections 2011-2284, Atomic Energy Act of 30 Aug 54, as amended
- (e) DoD 5220.22-M, National Industrial Security Program Operating Manual (NISPOM), Jan 95 (NOTAL)
- (f) DoD 5220.22-M.Supp 1, National Industrial Security Program Operating Manual Supplement 1, (NISPOMSUP) Feb 95 (NOTAL)
- (g) SECNAVINST 5510.30A, DON Personnel Security Program Regulation, 10 Mar 99
- (h) ISL 97-1, Industrial Security Letter, Jul 97
- (i) OPNAVINST 5510.161, Withholding of Unclassified Technical Data from Public Disclosure, 29 Jul 85

17 MAR 1990

CONTRACT SECURITY CLASSIFICATION SPECIFICATION (DD 254)

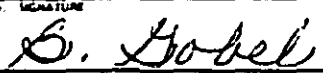
DEPARTMENT OF DEFENSE CONTRACT SECURITY CLASSIFICATION SPECIFICATION <i>(The requirements of the DoD Industrial Security Manual apply to all security aspects of this effort.)</i>		1. CLEARANCE AND SAFEGUARDING A. FACILITY CLEARANCE REQUIRED <input type="checkbox"/>	
		B. LEVEL OF SAFEGUARDING REQUIRED	
2. THIS SPECIFICATION IS FOR: (if and complete as applicable)		3. THIS SPECIFICATION IS: (if and complete as applicable)	
A. PRIME CONTRACT NUMBER		A. ORIGINAL (Complete date in all cases) Date (YYMMDD)	
B. SUBCONTRACT NUMBER		B. REVISED (Supersedes all previous issues) Revision no. Date (YYMMDD)	
C. SOLICITATION OR OTHER NUMBER Due Date (YYMMDD)		C. FINAL (Complete item 3 of all cases) Date (YYMMDD)	
4. IS THIS A FOLLOW-ON CONTRACT? <input type="checkbox"/> YES <input type="checkbox"/> NO. If YES, complete the following: Classified material received or generated under _____ (preceding Contract number) is transferred to the follow-on contract.			
5. IS THIS A FINAL DD FORM 254? <input type="checkbox"/> YES <input type="checkbox"/> NO. If YES, complete the following: In response to the contractor's request dated _____, retention of the identified classified material is authorized for the period of _____.			
6. CONTRACTOR (Include Commercial and Government Entity (CAGE) Code)			
A. NAME, ADDRESS AND ZIP CODE		B. CAGE CODE	
Enter the prime contractor here		To facilitate distribution use the servicing DSS operating location	
7. SUBCONTRACTOR			
A. NAME, ADDRESS AND ZIP CODE		B. CAGE CODE	
8. ACTUAL PERFORMANCE			
A. LOCATION		B. CAGE CODE	
Enter other "contractor" locations			
9. GENERAL IDENTIFICATION OF THIS PROCUREMENT			
Enter a short, concise, and unclassified description of the procurement action here.			
10. THIS CONTRACT WILL REQUIRE ACCESS TO:		11. IN PERFORMING THIS CONTRACT, THE CONTRACTOR WILL:	
A. COMMUNICATIONS SECURITY (COMSEC) INFORMATION	YES NO	A. HAVE ACCESS TO CLASSIFIED INFORMATION ONLY BY OTHER CONTRACTOR'S FACILITY OR A GOVERNMENT ACTIVITY	YES NO
B. RESTRICTED DATA		B. RECEIVE CLASSIFIED DOCUMENTS ONLY	
C. CRITICAL NUCLEAR WEAPON DESIGN INFORMATION		C. RECEIVE AND GENERATE CLASSIFIED MATERIAL	
D. FORMERLY RESTRICTED DATA		D. FABRICATE, MODIFY, OR STORE CLASSIFIED HARDWARE	
E. INTELLIGENCE INFORMATION:		E. PERFORM SERVICES ONLY	
(1) Sensitive Compartmented Information (SCI)		F. HAVE ACCESS TO U.S. CLASSIFIED INFORMATION OUTSIDE THE U.S. (EXCEPT FOR U.S. POSSESSIONS AND TRUST TERRITORIES)	
(2) Non-SCI		G. BE AUTHORIZED TO USE THE SERVICES OF DEFENSE TECHNICAL INFORMATION CENTER (DTIC) OR OTHER SECONDARY DISTRIBUTION CENTER	
F. SPECIAL ACCESS INFORMATION		H. REQUIRE A COMSEC ACCOUNT	
G. NATO INFORMATION		I. HAVE TEMPEST REQUIREMENTS	
H. FOREIGN GOVERNMENT INFORMATION		J. HAVE OPERATIONS SECURITY (OPSEC) REQUIREMENTS	
I. LIMITED DISSEMINATION INFORMATION		K. BE AUTHORIZED TO USE THE DEFENSE COUNSEL SERVICE	
J. FOR OFFICIAL USE ONLY INFORMATION		L. OTHER? (Specify)	
K. OTHER (Specify)			

DD Form 254, DEC 90

Previous editions are obsolete.

S/N 0102-LF-011-5800 80V140

17 MAR 1999

12. PUBLIC RELEASE. Any information (classified or unclassified) pertaining to this contract shall not be released for public dissemination except as provided on the Information Security Manual or unless it has been approved for public release by appropriate U.S. Government authority. Proposed public releases shall be submitted for approval prior to release. <input type="checkbox"/> Direct <input type="checkbox"/> Through (Specify):		
Complete this item to direct the contractor to the office within your command responsible for reviewing proposed public releases. to the Directorate for Freedom of Information and Security Review, Office of the Assistant Secretary of Defense (Public Affairs) for review. * In the case of non-DoD User Agencies, requests for disclosure shall be submitted to that agency.		
13. SECURITY GUIDANCE. The security classification guidance needed for this classified effort is described below. If any difficulty is encountered in applying the guidance or if any other contributing factor indicates a need for changes in this guidance, the contractor is encouraged and encouraged to provide recommendations or request to challenge the guidance or the classification assigned to any information or material furnished or generated under this contract, and to submit any questions for interpretation of the guidance to the official identified below. Pending final action, the information involved shall be handled and protected at the highest level of classification assigned or recommended. (Fill in as appropriate for the classified effort. Attach or forward under separate correspondence, any documents, guidelines, extracts referenced herein. Add additional pages as needed to provide complete guidance.) <u>This is the most important part of the DD 254. Use this item to identify applicable guides, to provide narrative guidance which identifies the specific types of information to be classified, to provide downgrading or declassification instructions, to provide any special instructions, explanations, comments or statements required for information or to clarify any other items on the DD 254. Each contract is unique in its performance requirements. Write the guidance in plain english. It's not necessary to put all the guidance in this space. Use additional pages as needed to expand or explain guidance.</u> The DD 254, with its attachments is the only authorized means for providing classification guidance to a contractor. It should be written as specifically as possible and include only that information that pertains to the contract for which it is issued. <u>It should not contain references to internal DON directives or instructions unless such documents provide instructions applicable to the contract.</u> If so, the pertinent portions should be extracted and provided as attachments. All documents referenced or cited in item 13 should be furnished to the contractor, either as attachments or under separate cover if they are classified. <u>Requirements of the NISPOM should not be cited. The NISPOM provides safeguarding requirements for classified information not security classification guidance.</u> Security classification guidance provides detailed information regarding what information requires classification, at what level, and assigns downgrading or declassification instructions that apply to the information or material generated by the contractor in performance of the contract. Retention and disposition instructions for classified information should be reviewed and updated throughout the life of the contract. Encourage the contractor to assist in the preparation of the classified guidance and provide comments or recommendations for changes in the guidance when necessary. Effective communication with the contractor will result in understandable classification guidance that will ensure the appropriate classification and protection of the information generated by the contractor.		
14. ADDITIONAL SECURITY REQUIREMENTS. Requirements, in addition to those requirements, are established for this contract. (If "yes," identify the pertinent contractual clause in the contract document itself, or provide an appropriate statement which identifies the additional requirements. Provide a copy of the requirements to the assigned security office. Use item 13 if additional space is needed.) <input type="checkbox"/> Yes <input type="checkbox"/> No <u>YES in this item signifies that security requirements over and above those of the baseline NISPOM will be imposed. The contracting command is required to incorporate the additional requirements into the contract document itself or in item 13. Costs due to additional security requirements can be reimbursable to the contractor.</u>		
15. INSPECTIONS. Clauses of this contract are to include the inspection responsibility of the cognate security office. (If "yes," explain and identify specific areas or elements carved out and the activity responsible for inspections. Use item 13 if additional space is needed.) <input type="checkbox"/> Yes <input type="checkbox"/> No <u>YES in this item relieves DSS of inspection authority for the contract and requires that specific information on "carved out" areas and inspection cognizance be furnished to the contractor.</u>		
16. CERTIFICATION AND SIGNATURE. Security requirements stated herein are complete and adequate for safeguarding the classified information to be released or generated under this classified effort. All questions shall be referred to the official named below.		
A. TYPED NAME OF CERTIFYING OFFICIAL B. Gobel	B. TITLE Contracting Officer's Representative	C. TELEPHONE (Include Area Code) COM (202) 433-8860 DSN 288-8860
D. ADDRESS (Include Zip Code) Chief of Naval Operations (N09N2) Washington Navy Yard, Building 111 Washington, DC 20388-5381		17. REQUIRED DISTRIBUTION <input type="checkbox"/> A. CONTRACTOR <input type="checkbox"/> B. SUBCONTRACTOR <input type="checkbox"/> C. COGNATE SECURITY OFFICE FOR PRIME AND SUBCONTRACTOR <input type="checkbox"/> D. U.S. ACTIVITY RESPONSIBLE FOR OVERSEAS SECURITY ADMINISTRATION <input type="checkbox"/> E. ADMINISTRATIVE CONTRACTING OFFICER <input type="checkbox"/> F. OTHERS AS NECESSARY
E. SIGNATURE 		

DD Form 254 Reverse, DEC 90